LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7341 NOTE PREPARED: Jan 31, 2013 BILL NUMBER: HB 1481 BILL AMENDED: Jan 31, 2013

SUBJECT: Permits for Loads.

FIRST AUTHOR: Rep. Slager BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) The bill authorizes the Indiana Department of Transportation (INDOT) or a local authority to grant permits for transporting overweight divisible loads.

The bill provides definitions for equivalent single axle load mile and overweight divisible load for purposes of transportation. The bill authorizes INDOT to charge five cents per equivalent single axle load mile for a permit for an overweight divisible load. The bill also makes conforming amendments.

The bill also requires INDOT to adopt rules for the: (1) issuance, fee structure, and enforcement of overweight divisible loads; (2) fee structure of loads on extra heavy duty highways; and (3) fee structure of overweight loads.

Effective Date: (Revised) Upon passage.

Explanation of State Expenditures: Divisible Loads - The bill would allow INDOT and/or local authorities (depending upon who has jurisdiction over the state highway, interstate highway, or local street) to grant permits for transporting overweight divisible loads for the transportation of metal commodities and agricultural commodities. A divisible load is defined as a tractor-semitrailer weighing more than 80,000 pounds that may be separated or reduced in order to meet the specified regulatory limits for weight and meet other requirements for height, length, width, and certain axle and wheel weight configurations.

Under the bill, the maximum weight for divisible loads hauling metal commodities is 120,000 pounds, and the maximum weight for divisible loads hauling agricultural commodities is 97,000 pounds.

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(Revised) Adoption of Rules for Overweight Loads - The bill requires that INDOT adopt rules for the issuance, fee structure, and enforcement of permits for overweight divisible loads, fee structure on loads on extra heavy duty highways, and a fee structure on overweight loads. Existing statutes mandating the fee structure for permits for loads on extra heavy duty highways and overweight loads expire on the earlier of the date of the adoption of such rules or a predetermined date (July 1, 2014, or December 31, 2014, depending upon the statute in question). Regardless of the rules ultimately adopted, the permit fees on overweight divisible loads may not be increased more than once every two years. The statutes created by the bill that mandate the issuance, fee structure, and enforcement of overweight divisible loads expire on the earlier of the date of the adoption of such rules or a specified date (July 1, 2014; December 31, 2014; or July 1, 2015, depending upon the statute in question).

The provisions contained within the bill are within INDOT's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: The fee for an overweight divisible load permit issued in the bill consists of \$0.05 per equivalent single axle load mile. An equivalent single axle load mile is a unit used to quantify various types of axle loadings into a single number. The formula to determine an equivalent single axle load mile is contained within the bill.

Data on the number of vehicles and the equivalent single axle load mile of the vehicles that may be issued overweight divisible load permits under the bill are unknown. Permit fees generated from the issuance of overweight divisible load permits will be deposited in the State Highway Fund.

The bill's impact on the amount of revenue generated from permits on loads on extra heavy duty highways, as well as overweight load permits, is indeterminable, as the impact is dependent upon the rule making of INDOT.

<u>Explanation of Local Expenditures:</u> (Revised) Local authorities may issue permits under the bill for overweight divisible loads that utilize local streets under their jurisdiction. Revenues generated by permits issued by local authorities will remain within the applicable local jurisdiction.

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Transportation.

Local Agencies Affected: Counties, cities, and towns.

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